



Public Affairs Bulletin

Public Affairs Committee
of The Society of The Plastics Industry, Inc.
250 Park Avenue, New York, New York 10017
212/687-2675

Please route:

No. 7 - August 1974

SPI REPLIES TO FTC PROVISIONAL ACCEPTANCE OF CONSENT ORDERS

As members know, the Federal Trade Commission, on July 29, provisionally accepted consent orders requiring 25 manufacturers to alert users of cellular or foamed plastic products to the hazards these products may present in case of fire and to establish a \$5 million public research program into the flammability of these products. In a news release distributed extensively to trade, business and general news press on the same date, SPI emphasized:

- The FTC order will add to the major effort already underway to enhance fire safety considerations involving these materials through implementation of a \$5 million research effort to be funded by the plastics industry and conducted jointly with the government.
- "By underwriting and cooperating in the development of a sound research program, the plastics industry seeks to provide data that will lead to a thorough understanding of all aspects of cellular plastic combustibility, plus improved product safety... thus enhancing consumer safety and confidence."

"NO DETECTABLE" LEVEL OF VCM LABELED INFEASIBLE AND UNWARRANTED

On July 17, SPI filed comments on OSHA's draft Environmental Impact Statement concerning the proposed standard for vinyl chloride exposure in the workplace. SPI and the VCM/PVC Producers Group stated that their positions relative to the proposed standard, -- presented in depth at the recently concluded OSHA hearings, -- stand generally uncontested by factual evidence and that a "no detectable" level of VCM in the workplace is (a) infeasible, (b) unwarranted, and (c) therefore, beyond the intent and scope of the Occupational Safety and Health Act and the case law developed to date.

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DOT PROPOSES EXPANDABLE POLYSTYRENE BE CLASSED AS A FLAMMABLE SOLID

The Department of Transportation announced in the July 9 Federal Register it proposes to amend the Hazardous Materials Regulations to specify that expandable polystyrene containing either a flammable liquid or flammable gas be classed as a flammable solid. Interested persons have been invited to express their views, and comments received on or before September 24 will be considered before final action is taken. In May of this year, SPI pointed out to DOT that members of SPI had transported hundreds of millions of pounds of expandable polystyrene resins during more than a decade without incurring a single reported incident of fire or explosion.

MAJOR INSURANCE COMPANIES CIRCULATE USG FIRE SAFETY GUIDELINES

Two major insurance companies have asked for and received permission from SPI's Urethane Safety Group to reprint the fire safety guidelines for the use of rigid urethane foam insulation. One of the companies is distributing 2,000 copies to its own personnel. The other is distributing to its management team, field engineers and customers -- more than 10,000 copies in all. USG is asking other insurance companies if they would consider similar action in order to achieve the widest possible circulation.

SPI MEMBERS VIEW DISNEY WORLD SYSTEMS APPROACH TO FIRE SAFETY

Members of SPI's Coordinating Committee on Consumer Safety saw first-hand how a planned systems approach to fire safety permits the use of lightweight combustible materials in areas where throngs of people assemble. Following their August 1 meeting at Disney World in Florida, members were taken on guided underground and behind-the-scenes tours by state inspectors who showed how a system of automatic detection, alarm, suppression and smoke venting -- combined with compartmentalization -- allows widespread use of treated wood and glass reinforced polyesters. Disney World uses 2½ tons of polyester a week in its continuing building, maintenance and repair program and has yet to have a fire that set off more than three sprinklers.

FEA PUSHES FUEL DEREGULATION -- PROPOSES ALLOCATION CHANGES

The Federal Energy Administration appears to be heading toward a possible future dispute over fuel allocations. FEA Administrator Sawhill has announced his intention to deregulate certain fuels beginning with residual heating oil and following with such fuels as butane and propane. However, Congress is trying to push through a bill extending the Emergency Petroleum Allocation Act which is due to expire in February 1975. If Congress succeeds, Sawhill may have some difficulty in implementing his deregulation plans at the pace he originally intended. In recent actions, FEA:

- On July 9, proposed rule-making changes in petroleum allocation for butane, naphthas and other items. The proposal lists petrochemical feedstock use as third in priority behind agriculture and defense for allocation of 100 percent of current requirements.
- On August 2, announced as a policy and special rule that where synthetic natural gas facilities, which require naphtha as a feedstock, were under construction prior to May 1, they will receive 100 percent of feedstock needs.

SPI SUPPORTS FEDERAL LEGISLATION RECOGNIZING IMPORTANCE OF ENERGY RECOVERY AND CONVERSION

On July 23, SPI in a statement submitted to the Panel on Materials Policy of the Subcommittee on Environmental Pollution of the Senate Public Works Committee, recognized the immediacy and the difficulty of developing a comprehensive solid waste management program, and commended the subcommittee for its efforts to seek out views on the problem so that a responsive "clean bill" could be drafted. SPI emphasized that it:

- Favors a systems approach to solid waste management which includes the utilization of energy recovery and recycling methods.
- Supports those bills pending before the Committee which recognize the importance of energy conversion and provide for bringing such facilities onstream in greater numbers.
- Believes that with federal legislation to encourage wider use of various energy modes, plastics will play a substantial role in achieving the goal of meeting energy needs while at the same time reducing demand for fossil fuels.
- Opposes those portions of bills which seek to prohibit or regulate products and packaging which would, in SPI's view, distort and disrupt large segments of the economy.

SPI OPPOSES PROPOSED GUIDELINES FOR PACKAGING REVIEW IN MINNESOTA

On July 17 the Minnesota Pollution Control Agency held another hearing on its proposed guidelines for packaging review in connection with the 1973 packaging law. SPI criticized the guidelines as being vague, ambiguous, discriminatory in their treatment of plastics, and seemingly based on subjective and superficial considerations rather than on objective scientific analysis and specific data; stated that its review of the legislative hearings involving enactment of the law leads it to believe that the legislature intended to regulate only new materials or new combinations of materials and that the proposed regulations go far beyond the stated legislative intent; and urged that the guidelines be made more specific so as to provide package designers with advance knowledge of the kind of package that will be acceptable at the early design and planning stage rather than at the final, and costly, stage of marketing new products.

CPSC TAKES UNPRECEDENTED LEGAL ACTION ON PUBLICIZING HAZARDOUS PRODUCT

In an unprecedented action, the Consumer Product Safety Commission, on August 8, instituted court action to compel a manufacturer to adopt the Commission's recommendations with respect to publicizing the potential danger of a product. The case involved a trouble light, with a soft plastics handle, which was implicated in at least one death through electrocution. Some 180,000 of the lights were sold through 1,500 retail outlets. The CPSC issued a news release warning of the hazard and gave the manufacturer, major distributors and major retailers 24 hours to propose a plan publicizing the danger. The resulting proposal involved the use of news releases, film clips, radio tapes, retail display posters and advertising mats for insertion by retailers in local papers on a public service basis. CPSC rejected the proposal saying it left the final responsibility for notification mainly to the news judgment of editors who might choose to ignore the materials. Instead, CPSC asked for paid, prime-time, 30-second television spots to be run for three consecutive days on each network and 200-line advertisements for three days in 85 percent of the newspaper circulation in areas where the lights were sold. CPSC estimated the total cost at \$400,000. The business group balked at the proposal and CPSC has gone to court.

NIXON VETOES \$13.5 BILLION APPROPRIATIONS BILL -- HOUSE PASSES TWO-YEAR EXTENSION OF SOLID WASTE ACT

With Richard Nixon's resignation as President, and the need for an impeachment trial behind them, Congress is likely now to try and complete action on a few pieces of major legislation and then return home to do the necessary campaigning. Therefore, the legislative outlook for many bills of interest to the industry is still unclear. However, among Nixon's final acts was a veto of the \$13.5 billion Appropriations Bill which includes funds to run the Environmental Protection Agency and Consumer Products Safety Commission. A two-thirds vote of Congress will be necessary to override the veto.

There have been some developments on proposed legislation that would affect the plastics industry:

- The full House, on August 6, passed a two-year extension of the existing Solid Waste Management Act at the present annual appropriations level of \$478 million. The Senate may still come up with a new omnibus bill but Rep. Paul Rogers (D-Fla.) has already indicated that the Subcommittee on Public Health and Environment of the House Commerce Committee plans to lay aside its consideration of such legislation during the present session to pay attention to other more pressing issues.
- Rep. Robert O. Tiernan (D-R.I.) has introduced another House version of the Hatfield bill -- S. 2062 -- to ban nonreturnable beverage containers in interstate commerce. It appears, however, that proposed legislation on nonreturnables has gone flat, at least for the current session of Congress.
- The vinyl chloride situation may focus more Congressional attention on the proposed Toxic Substances Act which has passed both the Senate and House but remains locked in Conference after more than a year. On August 5, top EPA officials announced publicly that recent scientific evidence linking VCM with cancer may signal the beginning of a wave of health scares for workers constantly exposed to industrial chemicals. EPA claims the only way to stop this from getting out of hand is to subject every chemical now in industrial use to laboratory tests to find out if it is harmful to human health (EPA is expected to come out with a report of the environmental impact of VCM on air, water and solid waste in early Fall). EPA says that unless Congress passes some legislation authorizing the government to begin a testing program, it will never be done. The proposed Toxic Substances Act does provide for pre-market testing of chemicals.
- On July 30, Rep. John J. Rhodes (R-Ariz.), the Republican leader in the House, introduced H.R. 16172, a bill to provide for the temporary suspension of import duties on polystyrene resins, certain polyethylene resins, and polypropylene. It has been referred to the House Ways and Means Committee. No hearings have been scheduled.
- Action may be imminent on the long-delayed Consumer Protection Agency Act which passed the House but has been stalled in the Senate. Attempts will be made on August 20 to break the filibuster and bring the bill up for a vote. The Act would allow consumers to be represented by the CPA before federal regulatory agencies and would permit the CPA to appeal decisions of these agencies. CPA's name would also be changed to Agency for Consumer Advocacy.
- Oversight hearings on the Occupational Safety and Health Act were held by both Senate and House Committees in July. Vinyl chloride was mentioned frequently, especially by labor witnesses, who vehemently opposed exempting smaller employers from OSHA regulations, claiming that in the PVC industry "65 percent of the employers have less than 19 employees." Industry's principal interest seemed to be "on-site" consultation. Labor has been trying to use the VCM and asbestos cases as the wedge for forcing increased OSHA activity. However, the prospects seem to be that little substantive change in the Act will be voted out.

(See Introduction to forthcoming Legislative Bulletin #6 or contact SPI for additional details.)

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INDUSTRY SPOKESMAN CALLS FOR ASSURED SUPPLY OF FEEDSTOCKS TO MEET DEMAND FOR PLASTICS

Testifying at a Federal Energy Administration hearing on Project Independence in Boston on August 27, F. Reed Estabrook, Jr., Chairman of the Governor's Task Force on Petrochemical/Plastics Industry, and Past President of SPI's New England Section, said the demand for plastics in 1974 will exceed 30 billion pounds, and the industry's capacity to produce that volume cannot be planned and built unless there is an assured supply of feedstocks. Estabrook said the plastics industry materials shortages exist in two time frames. In the first time frame which extends to at least 1978, "factors which constrain the flow of raw materials to the plastics industry related primarily to: installed plant capacity -- refineries, petrochemical plants, resins plants, and more importantly, the crude oil and natural gas liquid supplies. The plastics industry is constantly competing for its feedstocks, with other users such as petrochemicals, home heating fuel, gasoline, synthetic natural gas, etc. Hopefully, equilibrium between supply and demand for these feedstocks will be established by 1977-1978, depending on the economies of each particular resin situation. The second time frame, which begins about 1980, and extends indefinitely, will be characterized, Estabrook said, by a continuing shortage of feedstocks, unless successful alternatives of energy generation are developed to meet the needs of electrical power, heating fuels, motor fuels. He emphasized that if neither of the two time frames are acted upon positively "all the petroleum and natural gas reserves will be exhausted within a few decades, and the petrochemical/plastics industry, which is solely dependent upon petroleum and natural gas, will be affected catastrophically." (Copies of full text available.)

FTC PROPOSES TRADE REGULATION RULE ON CELLULAR OR FOAMED PLASTICS PRODUCTS

As many members know, the Federal Trade Commission, in the August 6 Federal Register, announced a proposed Trade Regulation Rule that could seriously affect any company that manufactures or sells cellular or foamed plastics products. Comments of interested parties must be submitted to the FTC by October 11, 1974 and a public hearing on the proposed Rule is scheduled to begin in

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Washington, D. C. on December 9, 1974. The basic thrust of the Rule seemingly is to prohibit the use of existing standards and test methods applicable to cellular plastics which do not predict or evaluate the burning characteristics purported to be measured under actual fire conditions. Additionally, those companies covered by the Rule would be required to furnish safe use instructions in the marketing of their products with such safe use instructions to be predicated on scientific tests which are predictive of performance under actual fire conditions. The product definition contained in the proposal includes cellular or foamed plastics materials used in the construction of structures (undefined) and flooring and flooring underlay, foamed and unfoamed polymeric and monomeric precursors; and plasticizers, fillers, etc. It does not include furniture. However, the FTC specifically asks for comments on whether the product definition should be expanded to include other end uses.

SPI URGES FACTS NOT PASSION BE THE GUIDING FACTOR IN DETERMINING GOVERNMENT REACTION TOWARD VINYL CHLORIDE

On August 21, Ralph Harding testified at a one-day hearing of the Senate Commerce Committee subcommittee on the environment chaired by Senator John Tunney (D-Cal.), on "oversight of the VCM and PVC situation." One of the reasons for the hearing apparently was to stimulate action on the long-stalled Toxic Substances Control Act which has passed both Houses but remains locked in Conference. In his testimony, Harding emphasized that "decisions and policy judgments with regard to chemical substances must be made on the best available fact-finding basis. Supposition and conjecture cannot be relied upon to make these decisions." He urged that facts not passion be the guiding factor in determining government reaction toward vinyl chloride, and said "the plastics industry has not shrunk from its worker and environmental responsibilities to date nor does it intend to." Harding noted that in the United Kingdom, government, labor and industry were able to sit down around a table -- without charge and countercharge -- and come to a joint agreement on the problem (VCM) and the action to be taken. Sen. Tunney commented on the tremendous importance of PVC to the economy and its clear benefits to our society and said he had no desire to throw people out of work, adding "the point is what can be done to identify the toxic properties of a product before it is distributed through society." (Copies of full text available.)

CPSC BANS USE OF VCM IN AEROSOL HOUSEHOLD PRODUCTS

The latest in the round of CPSC actions regarding vinyl chloride was the August 16 announcement of an outright ban on VCM in household aerosol products. The ban covers most aerosol products -- paints and finishes, protective and decorative coatings, paint removers -- except food, drugs and cosmetics which are regulated by the FDA, and insecticides and pesticides which are regulated by the EPA. The ban published in the August 21 Federal Register takes effect October 7. All manufacturers, distributors, and retailers will be required to post lists of specific products covered by the ban, and consumers will be able to return them for refunds.

OSHA NAMES ADVISORY COMMITTEE ON HAZARDOUS MATERIAL LABELING

On August 20, OSHA announced the formation of a 15-member Standards Advisory Committee on Hazardous Material Labeling. According to OSHA Administrator John Stender, the committee will develop and recommend to OSHA, standards for categorizing and ranking hazards of industrial materials, and will also recommend required warnings and safe handling procedures to protect employees from toxic substances. The committee includes four representatives each of employees, employers and the federal government; one representative of state government; and two from the general public. Only two chemical companies -- American Cyanamid and PPG Industries -- are represented in the employer group. The other two industry representatives are from the U.S. Chamber of Commerce and Norfolk Shipbuilding and Drydock, Inc.

DEGENKOLB TESTIFIES ON HIGH-RISE FIRE SAFETY

Appearing at the request of SPI, fire protection engineer John Degenkolb testified August 8 before the New York State Senate Labor Committee public hearing on high-rise fire safety. "Combustible materials are going to be with us indefinitely," said Degenkolb. "We should use the knowledge concerning protective measures available to improve life safety from fire." He called for a comprehensive design approach to the problem, including consideration of such factors as compartmentalization, venting of smoke and gases, automatic detection, alarm and suppression systems, elevators, stairwells and communications.

ISLE OF MAN FIRE REPORT PUBLISHED

In August 1973, fire swept through an entertainment center known as Summerland on the Isle of Man, killing 50 and hospitalizing another 50. A report on the fire, published by a special Isle of Man government investigating commission, notes: "The Lessees, as occupiers, seem never to have been aware of how vulnerable Summerland was, or might become, and yet its protection was their responsibility. This is the more remarkable since in 1971 their experienced insurers had offered a very substantial reduction in premium if a sprinkler system was installed." The 82-page report concludes that the accumulation of a multitude of "human errors and failures", involving design and construction of the building as well as immediate response to the fire, led to the disaster. Because the building was clad with acrylic panels, the report is of interest to the plastics industry. The report is available from: Mrs. Lawler, The Treasury, Lord Street, Douglas, Isle of Man, United Kingdom. Price, including postage, will be about \$5 but ask for an invoice.

FEA ACTS TO STABILIZE PROPANE PRICES

On August 9 -- just one day after a suit was filed on behalf of the State of Arkansas challenging the legality of FEA propane regulations -- the FEA announced a special rule on propane which will hopefully stabilize rapidly rising propane prices. Effective August 1, the Special Propane Rule is amended to limit the amount of increased costs of crude oil that may be applied to propane prices by a refiner to an amount which is proportional to the quantity of propane produced from crude oil by that refiner. The FEA pointed out that the unamended Special Propane Rule would not be adequate to continue to stabilize propane prices as demand for the product increases with the approach of the harvesting and heating seasons.

FEDERAL JUDGE REJECTS CPSC RECOMMENDATION COMPELLING COMPANIES TO PUBLICIZE POTENTIAL DANGER OF A PRODUCT

On September 3, a federal judge rejected the Consumer Product Safety Commission's attempt to force several companies to buy national television and newspaper advertisements to warn the public of a hazardous household trouble light with a soft plastics handle, that was involved in at least one death through electrocution (See Public Affairs Bulletin #7 for details). The injunction against manufacturing or distributing the trouble light continues. The fact that the judge formally persuaded the television networks to publicize the alleged hazard settled the immediate problem but the issue could recur on the next product hazard case.

CPSC PROPOSES REQUIREMENT THAT PRODUCT SAFETY RECORDS BE MAINTAINED FOR FIVE YEARS

On September 3, the CPSC proposed a requirement that manufacturers, importers, private labelers and distributors of consumer products maintain and permit access to records and provide information relating to consumer product safety complaints, for a period of at least five years from receipt. Comments on the proposal are invited on or before October 3, 1974.

SENATE PASSES FOUR-MONTH EXTENSION OF EMERGENCY PETROLEUM ALLOCATION ACT -- FIRE PREVENTION AND CONTROL ACT LIKELY TO BE VETOED

Both houses of Congress recessed on August 22 with the Senate returning September 4, and the House September 11:

- Before recessing, the full Senate, on August 12, passed a four-month extension of the Emergency Petroleum Allocation Act from February 28, 1975 to June 30, 1975. The bill now goes to the House for approval.
- The Federal Fire Prevention and Control Act of 1974 was reported out of conference on August 12 and almost immediately faced the threat of a presidential veto in its present form on the grounds that it is inflationary.

- A fourth and final attempt to vote on the controversial Consumer Protection Agency Act will be made on September 18. On August 20, a make-or-break vote in the Senate failed to materialize when an attempt to break the filibuster failed.
- Two bills concerned with alternative sources of energy were signed by President Ford on September 3. The Solar Heating and Cooling Demonstration Act of 1974 provides for \$60 million over the next five years for research and demonstration. The Geothermal Energy Research, Development and Demonstration Act of 1974 earmarks \$50 million annually to guarantee loans for commercial development of geothermal resources, and \$2.5 million for NASA to define geothermal program tasks.

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The next few weeks will be busy ones for federal regulatory agencies concerned with the vinyl chloride issue. Expected in September are the EPA report of the environmental impact of VCM on air, water and solid waste, and the FDA ruling on VCM food and drug additive applications. Then on October 5, OSHA will announce its permanent standard for VCM exposure in the workplace.

SPI'S PUBLIC AFFAIRS COMMITTEE has prepared a 20-minute slide presentation outlining the reasons for a coordinated, industrywide public affairs program and summarizing PAC's current legislative, informational and technical activities on behalf of SPI member companies. It will be shown at SPI section and division meetings over the next few months. Text and slides are also available on loan to voting representatives for showings to other industry groups and within their own companies. Contact E.S. Nuspliger at SPI for details.

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OSHA ANNOUNCES PERMANENT STANDARD ON VCM EXPOSURE IN THE WORKPLACE -- SPI ATTACKS STANDARD PUBLICLY AND FILES PETITION WITH COURTS FOR JUDICIAL REVIEW

As is now generally known, the Occupational Safety and Health Administration of the Department of Labor, on October 1, released its permanent standard on vinyl chloride exposure in the workplace. The standard was immediately challenged publicly and in the courts by SPI.

The Standard

In essence, the OSHA permanent standard calls for a limit of one part per million (ppm) of VCM as measured over an eight-hour working day, with a ceiling of 5 ppm as measured over any 15 minute time period. It applies to fabricators of finished PVC products as well as to producers of vinyl chloride monomer and PVC resins, and is scheduled to go into effect January 1, 1975.

Other provisions of the standard specify the following:

- The emergency temporary standard of 50 ppm will remain in effect until January 1, 1975 at which time the permanent standard will take effect, unless stayed by the Court.
- Where employees may be exposed to levels higher than the permanent standard, respiratory protection will be required except that, during the period between January 1, 1975 and January 1, 1976, the use of respirators will be discretionary with employees when the level does not exceed 25 ppm. After January 1, 1976, exposures above the 1 ppm - 5 ppm criterion will make the use of respirators mandatory.

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- Where appropriate monitoring shows that exposure levels are below 0.5 ppm (the so-called "action level" in the standard) for an employee, a plant area, or perhaps in an entire plant, such employees, areas or plants are effectively exempted from the requirements for compliance with essentially all provisions of the standard.
- Cannisters and cartridge-type respirators will be acceptable for employee use depending on the levels of exposure involved.

Court Action

On October 1 -- minutes after OSHA announced the permanent standard at a press conference in Chicago -- SPI petitioned the United States Court of Appeals for the Second Circuit (New York City) for review of the permanent standard. Hooker Chemical Corporation filed a similar petition with the same court on the same date, and Tenneco and Air Products filed similar petitions for review with the United States Court of Appeals for the Third Circuit on October 2. Also filing a petition for review on October 1 was Firestone Plastics. Additionally, Firestone petitioned for a stay of the entire OSHA decision. Other companies may follow suit and such action will be considered by SPI. Taking into consideration the time needed for the Department of Labor to provide the Court with a certified compilation of the OSHA proceedings record and, thereafter, filing of briefs by all parties, it is doubtful that a date for oral argument will be set by the Court much before early 1975.

Major Objections to the Standard

In a series of news releases given broad distribution by SPI in October to business, trade and general news media, the following objections to the permanent standard were stressed:

- The standard is, in effect, the engineering equivalent of the "no detectable level" originally proposed by OSHA and could have the effect of shutting down the industry with a resultant loss of 1.7 - 2.2 million jobs in consuming and related industries, and a loss of domestic production value of \$65-90 billion annually.
- The standard runs contrary to the mandate of the 1970 Williams-Steiger Act (creating OSHA) in that it seeks to impose operating standards which are technologically impossible to achieve industry-wide.
- Further, the standard requires workers to wear uncomfortable respirators for extended periods of time while at the same time giving them discretion to take off the masks under certain conditions prior to January 1,

1976. Since OSHA's own expert witnesses have testified that respirators are "instruments of torture", it appears workers are first being told that there is a level of vinyl chloride exposure which doesn't require donning a respirator but that ultimately those respirators will be mandatory whenever VCM levels reach 25 ppm.

- Aside from the standard itself, regulatory agencies of the Federal government have the responsibility to assure the general public that products made from PVC are completely safe. Officials of such agencies as the Food and Drug Administration and U. S. Senators have publicly stated there is no hazard in these end products but appropriate Federal agencies should make these distinctions clear to the consuming public.

CBS REPORTS BROADCASTS VINYL CHLORIDE SHOW ON SATURDAY, OCTOBER 19

On September 23, CBS News announced that on Saturday, October 19 (10:00-11:00 PM, EDT), CBS Reports will broadcast "The Case of the Plastic Peril," an examination of the health hazards of vinyl chloride. According to CBS, on the broadcast, CBS News Correspondent Morton Dean talks with plastics factory workers - one who already has cancer of the liver, others whose blood tests have revealed liver disorders, and the program takes an inside look "at what happens when Government agencies -- in this case, those concerned with worker safety and consumer protection -- and an industry are called upon to deal with a crisis such as this -- how they respond and how they cooperate -- and it examines the ability of Government's resources to cope with the problem."

CPSC WILL DISCLOSE BRAND NAMES OF AEROSOL PRODUCTS CONTAINING VCM

As publicized widely in the press, CPSC announced on October 7 it has decided to make public the brand names of aerosol products under its jurisdiction which contain vinyl chloride. The ban on use of VCM in such products went into effect October 7 along with a provision requiring stores to re-purchase the items involved. According to CPSC Commissioner Barbara Franklin, the names of products and other details will not be released until after the companies involved have been notified. She said CPSC felt the brand names should not be held confidential and that the Commission will also release code numbers of products; how much VCM in them; information on how widespread use of the products is; any adverse health affects reported; and the last date on which any product containing VCM was produced.

FTC EXTENDS DEADLINE FOR COMMENTING ON PROPOSED TRADE REGULATION RULE RE CELLULAR OR FOAMED PLASTICS PRODUCTS

On October 8, the FTC announced a 90-day extension of the October 11 deadline for submitting comments on its proposed Trade Regulation Rule regarding cellular or foamed plastics products (see Public Affairs Bulletin #8).

SPI'S HARDING OUTLINES COMBUSTIBILITY RESEARCH PROGRAM FOR SPI CANADA

On October 1, 1974, Ralph Harding reported on the plastics industry's combustibility research program in the United States to the Society of the Plastics Industry of Canada at its 32nd Annual Conference and Exhibition. Harding emphasized the industry's recognition of its obligation to educate everyone everywhere that plastics burn -- and how they burn -- and also that the Federal Trade Commission is making sure that the industry never forgets its responsibilities, especially in cellular plastics. He summarized the FTC's current action concerning cellular or foamed plastics (see Public Affairs Bulletin #8) and its implications for the industry, particularly the potential product liability questions that could affect all sellers in plastics markets. He noted that industry is coming under increasingly close scrutiny by government agencies at all levels and is being required to demonstrate that its products do not increase fire hazards to life and property.

CPSC EXTENDS DEADLINE FOR COMMENTS ON PRODUCT SAFETY PROPOSAL

On September 26, the Consumer Product Safety Commission extended until November 4 the deadline for comments on its proposed requirement that manufacturers, importers, private labelers and distributors of consumer products maintain and permit access to records and provide information relating to consumer product safety complaints, for a period of at least five years from receipt.

FEA ESTABLISHES PROCEDURE FOR LOGGING ORAL COMMUNICATIONS WITH OUTSIDERS

On September 25, the Federal Energy Administration established a regulation to provide internal FEA procedures for preparing and maintaining written records of oral communications received from persons outside FEA concerning applications, petitions, appeals, investigations or enforcement proceedings being considered by FEA. According to FEA, the regulation, which includes procedures for maintaining logs of meetings, is designed to maintain the integrity of FEA's decision making process to insure that its programs and policies are developed and implemented in an open atmosphere and to promote public confidence in the agency. Ostensibly, this regulation is supposed to give FEA the same kind of "fishbowl" climate which CPSC has instituted; practically, it may make it more difficult to talk to responsible officials at FEA.

EXIMBANK SUPPORTS \$1.5 MILLION SALE OF U.S.
EQUIPMENT FOR PLASTICS PLANT IN FINLAND

On September 17, the Export-Import Bank of the United States announced it had authorized a direct credit of \$688,500 to finance 45 percent of total U.S. costs in connection with a \$1,530,000 sale of U.S. equipment and services required for expansion of a plastics manufacturing plant in Finland. The project is for expansion of the low density polyethylene section of the plastics manufacturing plant which was originally financed in part by a \$1.95 million Eximbank credit authorized in May 1970. The plant, which also has existing facilities for manufacturing VCM and PVC, is located at Porvoo, some 35 miles east of Helsinki. U.S. companies involved include Ingersoll-Rand, McCartney Manufacturing Company, National Conveyor, Pressure Products Company and others not yet selected.

FEDERAL SOLID WASTE BILL STALLED IN COMMITTEE -- BUDGET FOR
FIRE PREVENTION ACT FLASHED AND PASSED BY BOTH HOUSES

As Congress nears its mid-October election recess, the legislative picture is a murky one. Settlement of the Watergate issue failed to give Congress a shot-in-the-arm for moving priority legislation and the big struggle now seems to be narrowing to getting out a tax bill and trade legislation:

- The omnibus solid waste and energy conversion bill which was supposed to emanate from the Senate Public Works Committee seems to be stuck there for the moment.
- On October 9, the Senate and House passed the bill to create the Federal Fire Prevention and Control Act. Conferees had reported the conference version of the bill back to each house of Congress on October 2. The bill had gone back to conference for further study after facing the possibility of a veto on inflationary grounds. The bill now authorizes a total of \$18.5 million for fiscal 1975 as opposed to \$32 million. The conferees also separated the fire research program and retained it within the National Bureau of Standards.
- The Consumer Protection Act (now the Agency for Consumer Advocacy) failed to survive a September 18 break-the-filibuster vote in the Senate and may be forgotten for now unless Majority Leader Mike Mansfield decides to give it one more try.
- A number of hearings are on tap -- the Senate Government Operations Subcommittee on Investigations set October 9 for a hearing on petrochemical shortages (part of a series of hearings on various material shortages), and Rep. John Dingell is reported considering a House Small Business Subcommittee hearing on complaints of processors re plastics and petrochemical shortages. This hearing probably won't be held until after the November elections when Congress is expected to be called back for a rump session.

REGULATORY AGENCIES ACT ON SEVERAL FRONTS --
FEA MAY PROPOSE "SUPER AGENCY"

The main activity in Washington once again seems to be centered around administrative agencies:

- The Federal Energy Administration, having abandoned its attempts to regulate some fuels (residual, propane, butane and jet fuel) may have to face up to new crises in natural gas. The threat of higher petroleum prices from the Arab world may also cause regulatory problems. On top of it all, the Administration is now thinking of proposing a new "super agency" in the next session of Congress which would include FEA, fuel conservation programs and new research, all under one administration umbrella.
- The Consumer Product Safety Commission, which is meeting industry objections on its recent order to ban and provide for buy-back of household products containing VCM, is considering undertaking a massive standards-setting program in the current fiscal year -- with furniture flammability one of the target areas.
- CPSC is also planning a joint study with the National Cancer Institute to identify carcinogens in consumer products -- to develop test methods, and to conduct animal tests. CPSC has also said it will study toxic by-products produced during burning of flame-retardant chemicals.
- The Federal Trade Commission will continue to push for implementation of a flammability rulemaking.
- The Environmental Protection Agency says it will take "nine months to a year" to implement its proposed air emission standard for VCM and PVC plants. Work is already in progress.

STUDY OF OREGON LAW SHOWS DECLINE IN LITTER BUT INCREASED
COSTS AND/OR DECREASED PROFITS FOR FIVE MAJOR INDUSTRIES

In September 1974, a Study of The Effectiveness and Impact of the Oregon Minimum Deposit Law -- prepared by Applied Decision Systems, Wellesley Hills, Massachusetts and Decision Making Information, Inc., Santa Ana, California -- was presented to the Oregon Legislative Fiscal Officer and Department of Transportation, Oregon Division of Highways. The study is the product of a year-long project conducted for the State of Oregon -- its major findings are summarized as follows:

Litter Analysis - During the 11 months after the Law went into effect, beverage-related litter declined by 66 percent compared to the year before. Other litter increased by 12 percent.

Economic Analysis -- Five major industries -- soft-drink producers, brewers, beer wholesalers and distributors, can manufacturers, and glass bottle manufacturers -- experienced increased costs and/or decreased profits. In the first year of the law, they showed a combined reduction in pre-tax profits of \$3.2 to \$4.8 million related to beer, and an additional \$4.0 to \$4.5 million related to soft drinks. Projected second-year profit impacts will be higher for beer and lower for soft drinks. In terms of jobs, the five industries reported the addition of 175 to 200 new jobs; the loss of 340 to 427 existing jobs; and the addition of a potentially large number of jobs and overtime hours in retail stores handling bottles. In new investments, the five reported a combined \$6.4 to \$8.5 million of additional investments made during the first year of the law.

Consumer Attitudes -- Consumers approve of the Law overwhelmingly. Asked in interviews about their disposal habits for beverage containers, 90 percent indicated they throw none away -- all are either returned or recycled. More than 80 percent either found it no inconvenience to return empty containers, or were willing to put up with the inconvenience if it helped reduce litter.

The study noted that one must interpret Oregon's experience in the context of Oregon being a unique state. As examples: before the law, returnables were already at a very high level; Oregon has always been a state with a very high interest in conservation; Oregon is a relatively small market in terms of national volumes; the state's beer market is literally dominated by local and regional brewers.

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